FBIS DAILY REPORT

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LAMI DOZO SUPPORTS NEW POLITICAL FORCE CREATION

PY030340 Buenos Aires NOTICIAS ARGENTINAS in Spanish 0050 GMT 3 Aug 82

[Excerpts] Buenos Aires, 2 Aug (NA) -- The commander of the air force, Gen Basilio Lami Dozo, strongly supports the formation of a new political force and states that "it will be necessary to get rid of any hypocrisy and confess that we desire and will search for continuity of the process beyond the forthcoming elections."

The text of the document released by General Lami Dozo states:

"Although I am going to refer to the position of the force I command concerning the current national situation during the message on the day of the Argentine Air Force, it seems to me appropriate -- in view of rumors and reports -- to make a statement in order to stop public opinion from being confused.

"The forthcoming meeting of the military junta could bring about the reconstitution of the supreme organ of the state as the basis of the process in its final stage, a stage which has already begun.

"However, this possible reconstitution must not be understood as a prior step to an orderly military withdrawal but as a decisive effort for maintaining the continuity of the process, a process which by no means ended with the defeat of terrorist subversion but which must continue toward achieving the great objectives proclaimed in March 1976.

"This stage of transition must be the beginning of the political-institutional stability of the republic.

"The first objectives of the process included the formation of a vast movement, capable of representing the aspirations and expectations of the Argentine people, objectives which we believe are still desired by many people who are waiting for its fulfillment, something we were not able to fulfill due to errors, inexperience and even distrust and arrogance.

"The country has very strong traditional political structures which no matter how respectable, and they are, do not represent the full spectrum of a firm and stable democracy.

"It is necessary that with the participation and support of all sectors of Argentine society -- with the exception of those who got rich illegally and who must receive their punishment -- a new structure must come into being to insure the complete fulfillment of the national Constitution, and not only those clauses on civil rights so dear to the Argentine people.

"This process must stimulate the formation of this new trend, which will either be the one to continue in power if the people want it or the one influencing, through its thoughts and political presence, the future destiny of the republic if the majority of the people support the existing parties.

"It will be necessary to get rid of any hypocrisy and confess that we desire and will search for continuity of the process beyond the forthcoming elections, which will permit the total normalization of the republic's institutions during the first months of 1984 in accordance with the decision we made -- in so doing committing the honor of the armed forces -- as the last act of the junta before our withdrawal from political leadership. The government must be a nonparticipant in the sense of availing to all political forces the same means and opportunities to communicate with the people and in preserving the inviolability of the dark room and the votes.

"But the process cannot stop with participating in the elections in order to continue its influence in the future through the vast civilian sectors who, honestly and unselfishly, have been extending their confidence and support because they believe in the goal of leaving a country politically strong, economically developed and socially reconciled.

"Moreover, I believe that this process must stimulate them so that they can immediately organize themselves throughout the country and express, through a great national movement, the change and modernization promised in the preliminary documents of March 1976.

"Besides, this movement will be the most appropriate means -- I honestly believe the only one -- to put an end to the sad experience of governments who allegedly were nonparticipants, who gave the appearance of nonparticipation in political solutions but which absolutely and arbitrarily set conditions on handing over power.

"Therefore, legality is born with an illness for death.

"We want an Argentina where the struggle for power coincides with the right and duty of the citizens to choose and ends exactly when the people's decision is known.

"To assume these responsibilities -- outright and without euphemisms -- I believe that the reconstitution of the junta as the supreme organ of the state cannot be delayed in response to the reality and demands of the nation in which we live, a nation which certainly can no longer tolerate 1 and 1/2 year of only a transitional government.

"Once Latin America makes Argentina the banner of its claims in the region, we cannot just limit ourselves to governing the crisis.

"Profound changes have taken place here, although, as normally happens to people of our times, it is hard for us to realize their magnitude.

"There is a new Argentina emerging from its dramatic reality and there are young forces who know that the fatherland we dream of is possible and want to take part in it. Moreover, they know that it is their right to participate, and they are right."

FOREIGN MINISTER TO VISIT THREE LATIN NATIONS

PY030118 Buenos Aires TELAM in Spanish 1652 GMT 2 Aug 82

[Text] Buenos Aires, 2 Aug (TELAM) -- Foreign Minister Juan Roman Aguirre Lanari will represent the Argentine Government at the swearing-in ceremony of the new Dominican president, Jacobo Majluta, which will be held in Santo Domingo on 15 August.

Aguirre Lanari is scheduled to leave on a special plane for Venezuela on 12 August. While in Venezuela he will discuss with the Venezuelan authorities the submission of a report to the United Nations on the South Atlantic conflict. Venezuela gave its frank support and expressed its solidarity with Argentina during the war over the Malvinas Islands.

On his way back to Argentina, Aguirre Lanari will remain in Brasilia for a few hours for a mission similar to the one he will fulfill in Venezuela. The possibility that he might travel from Brasilia to Rio de Janeiro to address the inter-American juridical committee is not dismissed.

Despite some press reports on Aguirre Lanari's trip, San Martin Palace has not referred to the possibility that Aguirre Lanari might visit Peru before his first official stop over in Venezuela. Reports released by San Martin Palace to date have only announced the above itinerary.

PANAMA PAPER INTERVIEWS PASCAL ALLENDE

PA020046 Panama City DIALOGO SOCIAL in Spanish Jul 82 pp 47-49

[Interview with Andres Pascal Allende, secretary general of the Movement of the Revolutionary Left, MIR, by correspondent J.V.A. in Mexico in May]

[Excerpt] [Question] What is your opinion of the current Chilean economic crisis?

[Answer] The relative stability of the Chilean dictatorship and the economic recovery achieved at the cost of the brutal repression of the people have been broken by the crisis that is moving from the economic to the social field, and which in the political field is reflected in the dictatorship's crisis of credibility and legitimacy because it has exposed the moral crisis consuming the classes that illegally hold political and economic power.

The failure of the economic miracle that the dictatorship tried to carry out has been laid bare with the bankruptcy of hundreds of industries and companies last year. It is estimated that unemployment will reach more than 25 percent of the country's labor force in 1982. Production has sharply dropped, and it is estimated that is will continue to drop this year. Everything indicates that the economic crisis will worsen and will last a long time.

[Question] How has the crisis affected the Chilean people?

[Answer] As I just said, unemployment has affected the Chilean people, who also must endure great job instability and low wages. This situation has increased health, housing and education problems and has caused great social tension all over the country. A process of convergence of all sectors of the people is being created in defense of their interests and to confront the military dictatorship.

[Question] What can you tell us of the bourgeois sectors? How is Chile's economic, social and moral crisis affecting them?

[Answer] Up to a short time ago, sectors of the small and medium bourgeoisie were among the main bases of social support for the dictatorship. Now they openly clash with the policies of the regime. Agreements in endless number are evident that lead to the unity of the broadest sectors of the society against the dictatorship and its economic and repressive policy.

Every day new sectors of the population join the protests, the people's discontent becomes generalized and new forms of more united, more combative, more direct and more violent struggle are created.

[Question] What attitude has the Chilean people adopted in the face of the government's institutionalized repression?

[Answer] The Chilean people are no longer afraid of repression. Repression is incapable of stopping the struggle of a people who are uniting and undertaking the path of rebellion.

Lately, the dictatorship has intensified state terrorism. Irrational violence, torture and assassination are some of its daily expressions. The only weapon that the dictatorship has to remain in power is the increase of repression. In response, the Chilean people are not remaining still. They are joining the resistance and beginning to counterattack their enemies.

[Question] Can you recount how the unity of the Chilean leftwing has been developing?

[Answer] After the installation of the military dictatorship in Chile, the leftwing experienced a situation of withdrawal as a result of the brutal repression unleashed by the government. Beginning in 1978-1979, along with the activation and increase of the social and democratic struggles, the situation began to change and the popular forces once again began taking the initiative. This initially took shape with the popular resistance, within which the MIR leads the offensive struggle against the dictatorship. Beginning in 1980, the main Chilean leftwing parties started to agree on the need to establish a united line of participation and offensive struggle against the dictatorship and to promote popular rebellion.

[Question] We understand that the first public agreements among the Chilean leftwing were those that were reached here in Mexico in September last year. Can you detail those agreements for us?

[Answer] A new phase in the process of unity of the Chilean left was begun during the meeting in September last year. The illegitimacy of the regime was reaffirmed on that occasion. For the first time, the leftwing parties are jointly promoting a policy to overthrow the dictatorship by organizing the people's rebellion. They agree that for this organization to be achieved, all forms of struggle must be used and progress must be made on the decision to incorporate the forms of armed struggle into the people's combat against the dictatorship. Confirming the above, we see that in recent times in Chile there has been an increase of actions of agitation and propaganda which are an expression of the direct, offensive and violent struggle in which both the MIR and other leftist sectors participate. In the social movement there is unity among the various mass organizations under the direct influence of the leadership of the leftwing parties.

[Question] Is the main objective of your presence here in Mexico the consolidation of the agreements reached in September last year?

[Answer] That is right. We are convinced that the crisis being experienced by our country and the speed with which the struggle against the dictatorship advances necessitate the strengthening of the unity of all the Chilean leftist parties. We have come to meet with the top leaders of those parties who are currently abroad and to promote the strengthening of the solidarity of all the international democratic, progressive and revolutionary forces. At this time such solidarity is of vital importance to the resistance struggle in Chile.

In any case, we want to make it clear that unity is not built in exile but achieved in specific struggles in Chile. Those in exile can contribute a great deal to the unity that is taking place in our country, deepening that unity among the main leftwing parties: the labor and people's parties. The exiles can strengthen that unity from abroad and obtain specific expressions of international solidarity with our people's struggle against the military dictatorship.

[Question] What is the attitude of the Chilean leftwing parties regarding Christian Democracy, DC, which, according to what we understand, has caused disagreement?

[Answer] Since the installation of the military dictatorship, the DC's policy could be described as one of conciliation with the regime. As a result of our country's current crisis, there has been a process of radicalization of some sectors of the DC. The recent election of Gabriel Valdes as president of the Christian Democratic Party, PDC, shows the greater strength of the democratic and progressive sectors in the party which, we believe, opens great possibilities that the DC will join the popular movement in its struggle to overthrow the military dictatorship.

The MIR is willing to reach understandings with all the forces that are willing to accept the main elements of a popular democratic platform.

If the PDC, or sectors in it, join the leftwing parties in their struggle to overthrow the dictatorship, we believe that all the Chilean leftwing will view with favor the establishment of an understanding in the common struggle.

[Question] We know that the MIR has made a specific proposal to the Chilean left. Could you tell us about that proposal?

[Answer] The MIR is calling for unity to organize the struggle to overthrow the dictatorship and to bring about a democratic, popular and revolutionary government that will guarantee political liberties and citizens' rights. All the forces struggling to overthrow the dictatorship will participate in this government. We have called this initiative the "national salvation policy." The MIR has presented this proposal to work together with the other leftist parties. The patriotic government of national salvation must implement an emergency economic plan to reconstruct and reorient the national economy. It must convoke a constituent assembly that will be democratically elected and will draft a new constitution. This new government must build a new democratic and popular armed force, dissolve the national information center, as well as try and punish all the torturers and assassins. Its international policy must respect the principles of self-determination and nonintervention. There must be a nonalignment policy and relations must be established with all the countries of the world.

[Question] How did the idea for the national salvation policy originate?

[Answer] The national salvation policy proposal was based on the specific situation in our country. Salvation movements have spontaneously emerged in cities such as Lota, Coronel and Port San Antonio, to mention a few. These movements are composed of unemployed people, workers, youths and women who speak out against the dictatorship and defend the interests of the people. Gradually the middle class, businessmen, professionals and so forth -- sectors that have been the cornerstone of the dictatorship -- are joining these movements. With the formation of these salvation committees came the initiative to promote a national salvation movement that has its base in the popular sectors and wants to unite other sectors as well.

[Question] How will the national salvation movement be promoted?

[Answer] It will be difficult to reach the proposed objectives. We must take advantage of the phase that has begun as a result of a crisis that is creating the conditions to transform the economic, social and moral crisis into a political crisis, a crisis of the dictatorship. In this regard, there must be a broad and radical mass mobilization to struggle for democratic liberties, the overthrow of the dictatorship and the establishment of a new democracy, and against the existing economic model and economic policies.

At the same time, we must begin building a military power that will be at the service of the people and the resistance and that will harass, exhaust and hit the repressive and the military forces of the dictatorships.

For these reasons, we call on the forces of the left, on the antidictatorial forces, on the progressive sectors, on Christians, young people, women and the democratic and honest sectors of the armed forces, to unite and to march down the road of popular rebellion against the military dictatorship.

DAILY COMMENTS ON NEW AMBASSADOR, U.S. TIES

PY021509 Asuncion LA TRIBUNA in Spanish 1 Aug 82 p 5

[Editorial: "New Ambassador"]

[Text] After some time the new ambasssador of the United States accredited to our country, Mr Arthur Davis, who succeeds Dr Lyle Lane, has arrived. Mr Davis, upon his arrival in our country, made some very friendly remarks that certainly open up a climate of cordiality and friendliness.

Relations with the United States are going through a very special stage here in Latin America and, as they concern our country, they are a stage in which it is quite necessary to make various clarifications that will give those relations more definite direction. This is what makes the presence of the new ambassador from the northern country important.

Our relations with the United States have been characterized basically by formalism. The American presence in our country, more than anywhere else, has been felt at the political level. There has been nothing extraordinary here to distinguish those relations.

A particularly combative and controversial American ambassador rightly pointed out on one occasion that the simple truth was that there are no great American interests in Paraguay, as there are in other parts of the continent. Those interests which might exist fall mainly within the sphere of the general interests the United States has in dealing with the continent.

In fact no big mining or hydrocarbon operations or, less still, industries or American agricultural or livestock operations have taken root here, for example. Of course there are some interests, such as those represented by the affiliates of the large American commercial banks, but in reality the weight that those interests carry is not decisive nor does it translate into large amounts of money for the country.

And if Paraguay has received some financing to undertake some projects, or if it has received benefits from some programs, it cannot be said that Paraguay has been singled out for these, because similar programs and financing has been available to the whole continent as a part of the worldwide aims of American foreign policy.

This situation has prevailed for a long time, perhaps for too long. Could it be stated that the conditions which prompted that course still remain unchanged, that they have not changed? In our opinion, many things have changed. It is not possible tell the angle from which the United States is looking at this issue. It is usually stated that for the Americans everything south of the Rio Bravo is one and the same thing. Perhaps the new diplomat might have an answer.

In any case, one characteristic which has clearly prevailed in U.S. foreign policy is that it responds to several factors, that it is always shaped in the form of reactions and that on very rare occasions has it been in keeping with a decision designed to pursue objectives to achieve new goals.

There can be no doubt that for our country it is paramount to establish good, smooth relations with the United States. This is a guideline in our foreign policy which is logical and which stems from the needs imposed by the reality of world politics.

But now the United States is confronted with a new situation deriving from the Malvinas conflict. Whether it likes or not, this conflict has changed many things. And irrespective of our preferences, it is a fact that the conflict has also had an impact on many aspects of our domestic life, at least in relation to the difficulties Argentina is currently facing since Argentina has almost always been the main recipient of our exports.

Aside from the consequences arising from mere geographic proximity, Paraguay has been gaining ground through the increasing availability of energy and the remarkable growth of its agriculture, which allows it to display significant figures for statistical purposes.

Politically speaking, it would not be an exaggeration to say that the stability which the nation is enjoying has placed it in the position of a coherent partner for actions that could require some time for completion, something which is hardly characteristic of many nations in the area.

The fact that our two large neighboring nations are in the midst of considerable political changes whose results are not always easy to forecast, is yet another factor which confirms our claim that many things have changed in the region.

All of this shows that the mission of the new ambassador could either develop along highly creative channels in keeping with the changes that have taken place, or it could follow the formal course as has been the case so far.

However, it may be worth pointing out that underneath this formality there may be realities that, having gone unnoticed at the proper time, could give rise to situations that can only be reacted to. It is to be hoped, and this should not be taken as the usual good wishes, that the new diplomat will enact, within the framework of relations between our two nations, the praiseworthy feelings expressed upon his arrival in our fatherland.

BRIEFS

COST OF LIVING INCREASE -- The Central Bank has officially reported that the cost of living increased by 3.5 percent from June 1981 through June 1982. [Asuncion ULTIMA HORA in Spanish 14 Jul 82 p 8 PY]

ADVISER TO COMMANDER -- Col Alfredo Diosnel Zelaya has been designated general adviser of the commander in chief of the armed forces of the nation without affecting his current functions. He will replace Brig Gen Juan Vicente Rabito, who has been transferred to a new post. [Asuncion Teledifusora Paraguaya Television in Spanish 1630 GMT 29 Jul 82 PY]

FOREIGN TRADE DEFICIT -- According to a report released by the Central Bank, the foreign trade deficit was $60.8 million for the first 5-month period of 1982. [Asuncion LA TRIBUNA in Spanish 1 Aug 82 p 4 PY]

PRESIDENT SCORES 'EXPORTERS OF THE REVOLUTION'

PY021912 Tacna Radio Tacna in Spanish 1200 GMT 2 Aug 82

[Text] President Belaunde Terry yesterday at Government House held a press conference for foreign correspondents on the occasion of the end of the second year of constitutional government. The president said that Peru had enjoyed 2 years of absolute democracy and freedom of the press.

He scored terrorism but said that only 50 persons or so have been killed in Peru during a whole year, a figure which represents the daily death-toll in other countries.

He also said that certain news media reports sent out of Lima had awakened widespread concern because they claimed that the president had been attacked at the end of the independence day parade. He said that no such thing had happened, adding that a bomb had exploded, but quite far from where he was.

Belaunde Terry emphasized that he had traveled for more than 5 km in an open car amid 400,000 persons who demonstrated their affection for him. [recorded passage indistinct]

Furthermore President Fernando Belaunde Terry said that the revolutionary nations are trying to export their ideologies violently and are training the extremists to be able to finance subversive operations through criminal actions, contrary to what had been done before.

However, the head of state did not name the source of what he termed "infamous technology" despite the fact that the foreign correspondents specifically asked him to do so. Belaunde explained his refusal to reveal the names of the countries that export their revolutionary ideologies by claiming that investigation is still underway.

Belaunde Terry recalled that before, even during his first term in office, the exporters of revolutionary ideologies used to train their militants, usually Peruvian-born, and financed their subversive activities. Nowadays the tactics are different, he said, the people are being trained for criminal actions as the efficient way to finance political activities.

The exporters of the revolution no longer wish to face the expenditures as before, they want to make ideologists out of criminals, President Belaunde Terry stressed.

GOVERNMENT WARNS MEDIA AGAINST SENSATIONALISM

PY021956 Tacna Radio Tacna in Spanish 1200 GMT 2 Aug 82

[Text] The government has warned the press and the foreign news agencies to use the freedom of information and opinion prevailing in the country responsibly and truthfully. Miguel Angel Alva Orlandini head of the national social communications system, criticized certain news agencies for disseminating negative and sensationalistic reports on false or exaggerated events, related to terrorist violence.

Such is the case of the report recently sent out of the country regarding a strong explosion which reportedly shook an entire sector of the capital city at the end of the independence day parade. This explosion was sensationalistically reported as an attack on President Belaunde perpetrated shortly after he left the reviewing stand.

Alva Orlandini said that half-truths and speculations give rise to unconfirmed reports which irresponsibly disseminate throughout the world news that distort the situation in Peru. Many times these reports quote as sources certain local news media which encourage terrorist activities.

Alva Orlandini pointed out that it is truly lamentable that the positive results of two years of democracy in Peru are being neglected, paying no heed to duly proven and essential achievements toward the reestablishment of democratic rule whose constructive efforts were fully described by the president of the nation recently.

DECISION TO RETURN TO INTERNATIONAL SILVER MARKET

PY022250 Buenos Aires LATIN in Spanish 2051 GMT 1 Aug 82

[Text] Lima, 1 Aug (LATIN-REUTER) -- President Fernando Belaunde Terry announced today that Peru will return shortly to the international silver market. Peru stopped selling silver 1 month ago.

In a press conference, Belaunde said that the silver price has increased considerably. There has been a considerable increase in the silver price, but it is not yet a fully satisfactory one, Belaunde said.

Asked if Peru will lift its restrictions on the sale of silver to the international market, Belaunde replied that the situation might be normalized shortly.

Belaunde stated that Peru has achieved a rapprochement with other silver producing countries (Canada and Mexico) to protect the silver price. However, he refrained from mentioning any tripartitite agreement that he himself proposed 2 months ago.

In 1981, Peru exported 43 tons of silver totaling $369 million. Official sources have estimated that the income obtained in 1982 from exporting the same volume as in 1981 will decrease 35 - 40 percent.

MINISTER DENIES PURCHASE OF U.S. F-16 PLANES

PY301735 Paris AFP in Spanish 1927 GMT 29 Jul 82

[Text] Lima, 29 Jul (AFP) -- Peruvian Aeronautics Minister Gen Jose Garcia Calderon denied press reports today that Peru intends to purchase a fleet of F-16 fighter planes from the United States.

Asked about these reports, he said that Peru purchases war materiel only to replace obsolete materiel and to safeguard national security, without trying to affect any other country.

He added that constant evaluations are being made in this regard taking into account the country's economic difficulties, and that if this purchase is carried out it will not be to diversifying arms.

He explained that the Peruvian Air Force has equipment from different nations, both from the Western and from the socialist world.

BRIEFS

FOREIGN LOANS APPROVED -- Lima, 24 Jul -- The Peruvian Government announced today that it has approved two foreign loans. One of the loans, 20,782,000 pounds sterling, has been granted by Baring Brothers of Great Britain to the Peruvian state electric power enterprise to finance power plants in the interior. The other, of $81.2 million, has been granted by the International Bank for Reconstruction and Development to the Peruvian state enterprise Electrolima for various electrification projects. [Paris AFP in Spanish 1818 GMT 24 Jul 82 PY]

PRICE INCREASES FOR BASIC ITEMS REPORTED

PA022140 Paris AFP in Spanish 1050 GMT 2 Aug 82

[Text] Mexico City, 2 Aug (AFP) -- The Mexican Secretariat of Commerce announced last night that the Mexican economic situation "makes unpostponable" an increase in the price of such basic items as bread, gasoline and electricity, and that these increases are effective today.

The increases are as follows: 100 percent for bread and corn tortillas; a little less than 50 percent, as an average, for the different kinds of gasoline; and an average of 40 percent for residential and industrial electricity rates.

The secretariat issued a communique announcing the increases, stressing that they are meant to "ensure the continuity of national development." In this sense, the secretariat affirmed that after a brief impact on consumption the measure will benefit production and discourage further price hikes. To justify the increase in tortilla prices, a Mexican staple, the secretariat said that lately corn's guaranteed minimum price [precio de garantia] and other industrial costs have doubled, making it necessary for the state to subsidize a large portion of the cost of the final product.

The secretariat said that in spite of the approved price increase the state will have to continue subsidizing the price of tortillas at the rate of 4 pesos (about 8 U.S. cents) per kilogram. Concerning the price of white bread, the secretariat said that it had not been changed since August 1977, and that since then the guaranteed minimum price for wheat has tripled.

Referring to gasoline, the communique admits that the policy of rational use implemented in December 1981 did not achieve its objectives of reducing internal consumption and preventing contraband in the product from leaving the country, so it was necessary to increase it price.

The secretariat warned that "if the present pace of gasoline consumption continues, Mexico will be compelled to double its refining capacity in 5 years."

Pemex Director on Gas Prices

FL022153 Mexico City NOTIMEX in Spanish 2019 GMT 2 Aug 82

[Excerpts] Mexico City, 2 Aug (NOTIMEX) -- Pemex Director Julio Rodolfo Moctezuma Cid stated today that gasoline prices have been increased with the objective of decreasing gasoline consumption and of achieving a more rational use of resources.

The Pemex director noted that although there are 5 months left before the presidential term expires, the present administration is interested in reorganizing the enterprise. Moreover, he said that there is no squandering of money in the building of the Pemex Tower.

Moctezuma Cid also said that by the end of 1982 Pemex will have to confront a debt surpassing $24.8 billion. However, he noted that this debt is already included in the budget that Pemex has submitted to the Secretariat of Finance and Public Credit.

DE LA ESPRIELLA HOLDS NEWS CONFERENCE 2 AUGUST

PA030154 Panama City Radio Exitosa in Spanish 2153 GMT 2 Aug 82

[News conference by President Ricardo de la Espriella at the presidential palace -- live]

[Text] [De la Espriella] I am at your disposal. Mr Cupas?

[Question] Tomas Cupas of UPI. Could the president announce, or tell us, who will be in the cabinet that will aid him in his administrative efforts?

[Answer] Tomas, I do not yet have a complete cabinet. However, I can tell you that we are going to submit for the approval of the National Assembly of Corregimento Representatives -- because this is required by law -- the names of the new comptroller and attorney general The new comptroller we will submit for approval is Francisco Rodriquez, former planning minister and agricultural development minister, and the new attorney general will be Ricardo Lasso, a prominent lawyer in this city.

I also wish to announce that I heard from the justices of the Supreme Court that Justice Morgan Morales has resigned and that the justices have considered appointing Yolanda Mugliese de Rodriquez. The vice president tells me she has already been appointed. The executive branch will appoint Juan Jose Amado, an engineer who served as ambassador to the United States until recently, to the electoral tribunal.

Therefore, it remains for the leaders of the opposition to send us the list of three candidates that they recommend. One of those three will be chosen by the National Assembly, Mr Estribi?

[Question] Mr President, you are known to be a man of profound (?democratic) convictions. How can one reconcile that position with the fact that clear constitutional precepts have been violated by closing the newspapers?

[Answer] We are working arduously to try to solve the problem of the closure of the newspapers. What we propose, in order to maintain democracy, is for there to be freedom of the press, but true freedom of the press, with respect, instead of a freedom of the press that, by means of insults, was leading our country into violence. If we want to preserve peace and true democracy, we have to have a responsible press, not an irresponsible press. We want the owners and directors of newspapers to reach an agreement among themselves to end the war of insults, the war of disrespect. Whatever has to be said, whatever criticism needs to be expressed, whatever corrections are believed necessary must be accomplished with order, while protecting the dignity of the persons involved. Mr Zamora?

[Question] Mr President, you have just said you are waiting for the opposition to send you a slate so you can choose the third member of the Electoral Tribunal. Does this mean there is already some channel of permanent communication with all the opposition parties, or that such a channel is being established? What is the exact situation between the present government and the opposition parties?

[Answer] There have been informal contacts, but we are waiting for them to do what we have asked them to publicly. It is up to them. Mr (Blanco)?

[Question] Mr President, two of four commentators who were prevented from practicing their profession for a long time sent a letter to former President Aristides Royo (?requesting reinstatement). Two others have not been reinstated because they did not want to send a letter.

[Answer] They do not have to request anything. They can return right away. Immediately. [applause] They can also say whatever they want. Mr Indalecio?

[Question] Mr President, Indalecio Rodriquez of AP. What is the position of the Panamanian Government's foreign policy, or what changes have been made, if any?

[Answer] Absolutely none. Panama's foreign policy continues to be independent and uncompromised.

[Question] Mr President, two questions: What kind of economic measures will your government implement to try to solve the country's present economic problems; and has thought been given to forming a cabinet that is a kind of coalition?

[Answer] No, we are not thinking of a coalition at this time. We want to have a cabinet that is, I would say, acceptable to the citizens in the sense that it should demonstrate that our intentions -- that is, what we have said about moralization and democratization -- will be carried out. In the economic area we are trying -- and have been trying for some time -- to do everything possible to solve the problems that afflict, not only Panama but the entire world.

[Question] Mr President, General Paredes made a number of recommendations to the executive. We would like to know what will be done about his recommendation regarding a wage increase for government workers.

[Answer] This light here is keeping me from seeing who is asking the question. Very well, Mr (Maison).

[Question] Mr President, General Paredes recommended a wage increase for government employees earning less than (?350 balboas).

[Answer] We are considering it for next year. We have to produce the revenue first. Those plans are underway.

[Question] Mr President, in the past few days we have seen representatives of certain opposition groups and parties leaving your home. If this doesn't mean a coalition cabinet, will you include people in your cabinet who are not members of the progovernment party? My second question is whether there will be a change of the people -- and this was not mentioned by General Paredes -- who make up the Joint Commission that presently governs the Canal Area.

[Answer] Yes, we think all the members of the cabinet do not necessarily have to be members of the Democratic Revolutionary Party, PRD. I am a founding member of the PRD and very proud of it, but I believe Panama does not belong to the PRD. It belongs to all Panamanians, and we have to consult with the different currents of opinion that exist in this country. As far as the canal personnel are concerned, I cannot give you an answer yet. (Carlito)?

[Question] Mr President, at the beginning of this news conference you mentioned the new cabinet. My question is specifically about the directors of state autonomous institutions.

[Answer] Some of them will also be changed. In time we will give you the names.

[Question] Mr President, when will the National Assembly be (?summoned to sessions)?

[Answer] The distinguished president of the assembly and I have talked, and we believe the summons will be issued around or after 15 August.

[Question] I have two questions: One is whether former President Royo will be appointed as ambassador to Spain, as has been rumored, and the other question is also in the foreign policy area: The policy [words indistinct] for reorganization of the Latin American system. Will this change?

[Answer] Panama's foreign policy will not change in any way. If Doctor Royo were to accept, he would be a deluxe ambassador for Panama in Spain.

[Question] (Arnold Wylie) of the NEW YORK TIMES. Mr President, in the past few weeks former President Royo made several attempts to stimulate some negotiation between the factions in conflict in El Salvador, specifically contacts with Cuba and with the Salvadoran Government and the FMLN. I would like to ask you to be somewhat more specific regarding the future policy to be followed by Panama in the region, in trying to carry out initiatives in El Salvador and perhaps also in Nicaragua.

[Answer] If Panama can be of service in helping our Central American brothers solve their problems in any way, if Panama can act as a mediator or if Panama can be the site of meetings, Panama is willing to do so. We will be very glad to do so. Our country has always been open to helping our brothers, but we also have internal problems to which we must dedicate time and energy. We are also going to try to accomplish this.

[Question] Mr President, would the reopening of the newspapers be subject to censorship or not?

[Answer] I do not believe in censorship.

[Question] Mr President, Julio Miller of RPC Television.

[Answer] Yes, Julio?

[Question] What would be the makeup of your new cabinet, considering that in the past few years the cabinets that have been formed have involved mere shuffling of cards at the governmental level and practically the same figures have been maintained?

[Answer] That is why it is taking us so much time, Julio, because it is not just a shuffling of the cards. [laughter]

[Question indistinct]

[Answer] I said previously that we are an independent and uncompromised country. The Reagan plan may be very good, but the cabinet has nothing to do with Reagan.

[Question] Mr President, (Luis Barria) of Channel 11. International reports, international news dispatches, describe the new Panamanian Government as center-rightist [words indistinct].

[Answer] That is their opinion; we have not gone into action yet.

[Question] [Words indistinct] you said the cabinet has no classification, yet we feel the new cabinet must follow political criteria. What political criteria are being used as guidelines in choosing the new cabinet?

[Answer] The progress of the country, social progress, the elimination of hunger and the evils that beset the country and the community. It is to be a cabinet that is ready to work for Panama.

[Question] Mr President, we would like to know what new plans are being made within the cabinet and what projections are being made for the national economy.

[Answer] I believe I already answered that. I do not want to be abrupt; I have great affection for Panamanian journalists, but it seems to me that a number of foreign newsmen wished to interview me, and I said I could not be giving individual interviews because of the pressure of time and work at this time. If foreign newsmen have any questions to ask, I would like them to speak up now, so they will not say later that I refused to answer them.

[Question] Antonio Martinez of ACAN-EFE.

[Answer] Yes, Martinez?

[Question] Panama's foreign policy [words indistinct] relations with the United States. What is your opinion of relations at this time?

[Answer] Their relations with us or our relations with them?

[Question] Both.

[Answer] We have always been open to... we have been very expansive with regard to the United States. What we have always wished to avoid is being blind servants and vassals of the United States. We will continue to maintain that policy.

[Question] My name is [name indistinct]. Mr President, I had a very disagreeable experience when I was arrested by the National Guard during the [words indistinct] LA PRENSA [words indistinct] and when I was talking with the Venezuelan ambassador my call was cut off. I asked three times to be allowed to talk with the ambassador. But this was refused. After 2 and 1/2 hours an apology was tendered, with the statement that it was not known that I was a Venezuelan journalist, an international journalist. My question is whether this would have been the case if the journalist had been a Panamanian instead of a foreigner.

[Answer] We would have apologized in any case, because we do not support these actions, and secondly I think the person who did that to you should be arrested for being blind and for lacking taste. [laughter, applause]

[Question] [Words indistinct] as to whether foreign policy was determined by the National Guard or at the presidential palace. When international leaders come to Panama they often go first to the National Guard. I would like to know who will handle foreign policy.

[Answer] Panama's foreign policy is the function of the president and it is administered through the foreign minister. Here at my side is Jorge Illueca, who is still foreign minister, and he can tell you that this policy was determined by Doctor Royo. The fact that we consult with the military in line with the national constitution is something else and it is something else for one person to handle it. Foreign policy is within the purview of the executive and will remain so.

[Question] Mr President, forgive me for intruding in the section for foreign newsmen. Diana Arosemena, of Telemetro, Channel 13. The previous government was characterized by a feeling that I would describe as somewhat paternalistic. The process, or government, did not know how to say no the people it wanted to remove from their posts, so it would put them in other posts and call them advisers. It would then end up with a long list of advisers with salaries of three figures or more, which struck harsh blows to the budget. You are promising wage increases for government employees next year. I ask: Now that you are in charge, what will happen? Will there be dismissals, relocations or will there be an increase in the long list of advisers?

[Answer] Look, first I want to get there, since I have not yet been up there. [laughter]

[Question] Mr President, in recent days President Royo has been pursuing a rapprochement with Havana. Former President Royo was also talking about creating an international organization without the United States and of the elimination of the OAS. What will be your policy in this regard and will you continue to support this idea of President Royo's?

[Answer] That was the difficult question. [laughter] My opinion as president is that in no organization formed in the hemisphere should the United States be left out. This is my opinion as president today. I think it is the duty of the United States to be in that organization so it can realize what is happening in all of these countries. If we leave it out we would be relieving it of a responsibility.

[Question indistinct]

[Answer] According to our Constitution, based on Article 2, as General Paredes said repeatedly, they [the National Guard] are permitted to do so. They constitute a military organ of the state. I know there is talk of constitutional coups; I did not know there were such things.

However, I know that in 1978 the Assembly of Representatives chose Aristides Royo as president and Ricardo de la Espriella as vice president. In the absence of the president, the vice president exists to take charge and complete the president's term. Royo resigned. He claimed health reasons. At least, he told me this in previous months and, as I said in an interview, I did not believe it. I spoke to him this morning and he told me again that he is going to be examined in a clinic in the United States because he does not feel well. Thus this remains up to you to interpret. I can do no more than tell you the facts.

[Question] When is he leaving?
[Answer] Pa.don me?
[Question] When is he scheduled to depart?
[Answer] The president told me he may leave on Thursday.

[Question] Mr President, when General Paredes spoke at the news conference, he said he was making suggestions to the executive, but at the same time he said they would be effective immediately. The question is: Were they recommendations or orders? The second question is: What can President Ricardo de la Espriella tell us about the high cost of staples, electric power, telephones and water? What answer do you have for the Panamanian people?

[Answer] I continue to believe that Paredes made suggestions. As regards the high cost of living, that is a long-standing concern of ours. From the beginning of the Royo government, we have been trying to find a solution. Unfortunately these things cannot be solved with a magic wand overnight. What I can tell the people is that there are the best of intentions to keep those costs from continuing to rise. We ask that they give us a little time to work a little bit harder on this. The man over there who wanted to ask a question....

[Question] [Name indistinct] Mexico Channel 11. I would like to ask about the president's position on supporting the Argentine effort in the United Nations and other international organizations to pursue its claim to territorial sovereignty over the Malvinas.

[Answer] Panama believes the Malvinas belong to Argentina, and it will support Argentina in all its claims.

[Question] Mr President, former President Royo encouraged a policy of closeness among Bolivarian countries. Within that policy, he planned to visit Bogota to attend the inauguration of President Betancur. What is your policy with regard to the Bolivarian countries, and will you attend Betancur's inauguration?

[Answer] We support the policy initiated by President Royo. Unfortunately, given the circumstances, it is quite impossible for me to leave the country at this time. The inauguration of Doctor Betancur in Colombia will be attended by Vice President Jorge Illueca. Mr Estribi?

[Question] The public debt is said to be at a stratospheric level, and economists in fact already question the nation's capacity for further indebtedness. As an expert on economic matters, do you have a scheme at [words indistinct] terms to try to come out of such a financial crisis?

[Answer] It will have to be done through a combination of public austerity and economic incentives.

[Question] You have announced that former President Royo will leave the country Thursday. I would like to ask you: Is the administration you are just starting going to acquit him of all responsibility in cases of administrative corruption, especially in the case of Social Security?

[Answer] If there has been administrative corruption in the Social Security Institute, it is up to the investigating authorities to decide what to do. President Royo has no responsibility in that. As president of the republic, he appointed a director and a board of directors for the institution. Remember this is the same government over which Royo presided, and I was his vice president. Therefore, I believe there is no reason now to start an unnecessary hunt for officials to charge with wrongdoing, in some cases for political purposes and in others perhaps for valid reasons. What we want is that from here on -- and I must say I disagree with claims about generalized corruption just because there is evidence of one or two cases, as it does not mean the entire administration is corrupt -- we will be actually interested in making sure that our new administration will be as orderly, as correct and as honest as it can be. I will personally try at all times to make sure of it. Remember, a president is not God, who can be all places at all times and do everything.

[Question] I have two questions, one of an international nature and the other of a domestic nature. First, what will your attitude be concerning the French-Mexican declaration on El Salvador? The other concerns the advancing of the date of the elections. What is your position on this?

[Answer] In relation to the French-Mexican declaration, former President Royo established a policy. There is a government in El Salvador, whether we like it or not, which has been internationally recognized. Panama's position, which I mentioned before, is to offer, which it has done before. To be, mediator between the conflicting parties to try to find a solution. It is not our business to tell El Salvador what type of government they should have. That is their problem.

As to advancing the elections in Panama, I would say this. The present constitutional period ends in October 1984. To advance the date of the elections would be to violate the constitution. I do not say this for any personal interest, to remain at this post, in fact, I told Aristides Royo this morning that if I ever envied him, it is right now. [laughter] Yes, Blanco?

[Question] Mr President, I would like to know your opinion about the idea that legislators, mayors and governors should be chosen by direct popular elections. If your opinion is favorable, do you believe it possible to obviate the constitutional obstacle to carry this out?

[Answer] I agree with it fully. Already we are consulting some of the most prominent jurists. In fact, we have discussed the creation of a committee of study and analyze the constitutional problem to find out how it can be solved. Yes, Zamora?

[Question] Mr President, we are concerned about the presence of a number of ourstanding newspaper journalists here who will not be able to give an immediate written record of what is happening here. We understand that the secretary general of the journalists Union of Panama sent you a letter requesting that the union be taken into account and restore the freedom of expression in the country fully as soon as possible. Some newscasts have reported the possibility that two newspapers will be coming out in the next few days. What can you say about this?

[Answer] I said at the beginning of this conference that we are most concerned about this situation and were doing everything humanly possible to settle it as soon as possible. We believe in freedom of expression, as there cannot be true democracy without freedom of expression and the press. What we do not believe in is the abuse of such freedom. We want the newspaper owners and directors to agree on a code of ethics and stop the practice of public insults and offensive caricatures. Lack of respect for the dead, mothers, fathers, relatives, could lead us to violence. We want to avoid this at all costs in this country. I am sure the newspapers' owners, directors and newsmen can agree on such a code of ethics whereby they may be able to criticize and state whatever they want, voice their theories and defend their ideas without indulging in these insults.

We hope to be able to solve this problem before the 7 days have passed. I am greatly interested in solving that problem as soon as possible. Yes, [name indistinct]?

[Question] Mr President, governments resulting from revolutionary processes have been noted for having extensive connections with the governments of the rest of the world. There is no doubt that there is some interest at the international level concerning the latest political developments. Our question has to do with the relations of Panama as result of the Torrijos-Carter treaties, which require some clarification to the friendly governments, mainly, and to the international public. What can you say about this?

[Answer] There are already committees working to contact the friendly governments who have always supported us, to explain the situation in the country and to inform them that nothing has changed here concerning our foreign policy. Gentlemen, thank you very much for your time and good will.

EDITORIAL MANAGER PROTESTS PRESS SHUTDOWN

PA021257 Panama City ACAN in Spanish 2357 GMT 1 Aug 82

[Excerpts] Panama City, 1 Aug (ACAN-EFE) -- The general manager of the Editora Renovacion publishing firm, which owns three Panamanian newspapers, expressed his "strongest protest" this afternoon at the "sudden way in which our newspapers were shut down." As the top executive in charge of Panama's press circulation, which involves more than 50,000 copies per day, Pedro Rognoni Rodriguez spoke about the 7-day closure of Panama's papers that was decreed shortly after new President Ricardo de la Espriella was sworn in.

Rognoni told ACAN-EFE he hoped the new president and his cabinet would demonstrate full respect for freedom of opinion, while acknowledging awareness "that over the last few weeks there have been several instances of abuse in the press." In the opinion of the publishing company's general manager, it is possible that the authorities grew concerned because of these "cases," since they saw a "degeneration in the logical process of democratic debate that must occur in all societies."

"We are aware that debates must be conducted with a certain degree of awareness and with respect for the individual and for human dignity, but under no circumstances can we approve the decision to close the newspapers down for 7 days as a way to solve this situation," Rognoni added. He insisted that this is a censurable decision since it constitutes "a government act against freedom of opinion; we urge them to allow us to return to work as soon as possible."

2 To Resume 4 Aug

PA021716 Panama City Televisora Nacional in Spanish 1701 GMT 2 Aug 82

[Text] This station has learned that a solution to the situation affecting Panama City's newspapers began a few minutes ago when it was officially announced that LA ESTRELLA DE PANAMA and YA will resume publication on Wednesday.

The announcement followed a meeting between representatives of these newspapers and the designated commission and after they agreed to the announced rules on maintaining a more ethical attitude in their treatment of reports. It is understood that these rules include the cancellation of all anonymous columns.

Meanwhile, efforts to normalize the situation completely within the 7-day deadline established by Brig Gen Ruben Dario Paredes at his news conference on Friday are continuing.

COSTA RICA

FOREIGN MINISTER VOLIO ON AREA PROBLEMS

PA021623 Paris AFP in Spanish 2253 GMT 31 Jul 82

[Text] San Jose, 31 Jul (AFP) -- Given the rapidly changing Central American situation, Costa Rican Foreign Minister Fernando Volio has disclosed to AFP that he has decided to undertake a more active diplomatic role in the region, at a time when the new Costa Rican administration, which took office on 8 May, is not yet 3 months old.

"Costa Rica's security depends on the solution of the conflict in El Salvador, and the events in Nicaragua are no less important, as far as their consequences on our country are concerned," the minister indicated, admitting the effects of regional events on his country.

Volio reiterated the government's position, announced during the elections, on maintaining "neutrality in military conflicts." However, he also recalled the proposal he made after the election victory that a "good offices group" be created to unify and implement the various peace proposals made in the region.

The foreign minister will travel to Honduras on Monday to hold talks that have no agenda. He disclosed that his intention is to maintain "very close contacts with that country."

On 11 August he will go to Nicaragua, the most delicate part of his tour, given the deterioration in the two countries' relations resulting from Costa Rica's expulsion of three Nicaragua diplomats who were accused of taking part in a terrorist attack here.

Volio reiterated that Costa Rica wants to maintain "the best possible relations with Nicaragua," but he stressed that the two countries' current problems over differing interpretations of their rights to the border river of San Juan "threatens to change these relations and will be a permanent cause of protest on our part."

According to an 1858 treaty the river belongs to Nicaragua, but Costa Rica has the right in perpetuity to free navigation on part of its course. In recent months, Nicaragua has insisted that this right is limited by its sovereignty over the river, where it has imposed immigration and security controls that Costa Rica opposes.

This issue, "the incursion by Nicaraguan Armed Forces into Costa Rican territory, radio penetration from that country" and what Volio described as "a campaign of comparison of the two systems" by the Nicaraguan news media in which, according to Volio, Costa Rican democracy is denigrated, "create unnecessary friction."

Volio also said that "whatever reasons Nicaragua has for feeling itself under attack -- which I cannot evaluate -- its arms buildup affects us and we view it as a threat."

The Costa Rican Foreign Minister made this comment when he was asked about Nicaragua's charge that the United States and Honduras are promoting a campaign of attacks against it with the object of overthrowing the Sandinist regime.

Nicaragua has also expressed its concern about the objectives of the Central American democratic community, which was created in January by Costa Rica's previous government, Honduras and El Salvador, and which, Nicaragua claims, wants to isolate it from the rest of the area's nations. "We do not want the community to be an element of harassment of any country," the minister said.

Volio said that in Costa Rica "the fate of representative democracy in the area and perhaps in all of Latin America is at stake. I am no longer speaking of domino theories, but of political realities," he stressed.

Concerned about the future of the struggle in El Salvador, the minister said that what takes place in El Salvador affects his country not only directly but in other international areas.

As an example, he noted the current debate in the U.S. Congress of President Ronald Reagan's plan to aid Central America and the Caribbean.

"We urgently need the U.S. aid, and what is happening in El Salvador has repercussions on the future of Reagan's plan, which we are very interested in," he said.

Volio also said that there are signs of a democratic beginning in Guatemala, such as the invitation for the Inter-American Human Rights Commission (CIDH) to visit the country in September. He indicated that the political change in Panama on Friday "will not affect the very cordial relations between our countries."

ALLEGED M-19 MEMBERS DETAINED, ESCORTED TO BORDER

PA021533 San Jose LA NACION in Spanish 24 Jul 82 p 10A

[Excerpt] A group of 14 alleged members of the Colombian 19 April Movement, M-19, organization were detained here Sunday and Monday as they headed for the celebrations of the third anniversary of the Sandinist revolution in Nicaragua.

The incident, kept secret until yesterday, was confirmed by public security official and chief of the National Security Agency (ASN), Francisco Tacsan Lam.

The 14 individuals arrived at the Juan Santamaria international airport at noon Sunday from the south, apparently from Panama. Due to a "special circumstance," which Tacsan Lam refused to reveal, the Aeronica plane that brought them and made a technical stopover here, left without them. When the intelligence police learned of their presence and descriptions, they proceeded to keep them under surveillance. The airline had no other flights on that date. Therefore, the authorities decided to keep them under custody at an unidentified place.

The authorities then proceeded to check the vsitors' passports and early Monday they were escorted to the Penas Blancas border point. There, the authorities returned their documents and the visitors left, not expelled or deported, but merely to continue on their trip, Tacsan Lam explained.

EL SALVADOR

PRESIDENT MAGANA ON POSSIBILITY OF AMNESTY

PA021721 Paris AFP in English 1714 GMT 2 Aug 82

[Excerpt] San Salvador, 2 Aug (AFP) -- President Alvaro Magana said here today the Salvadoran Government is considering an amnesty bill for its leftist guerrilla opponents.

The bill's aim, he told AGENCE FRANCE-PRESSE, is "to reduce the guerrillas' power and find a solution to the war other than a military one."

He said the bill might be included in a "government pact" currently under study by the ruling right-wing coalition.

"I want a general-type platform as a first stage," he said, "so as to have a field of action for finalising the outlines of the pact."

"I have taken the common points in the various party programs," he added, such as revival of the economy, the search for peace, and respect for human rights. But he admitted there might be "difficulties" in implementing those points.

HONDURAS

NICARAGUA DISCUSSED WITH COSTA RICAN MINISTERS

PA030239 Panama City ACAN in Spanish 0124 GMT 3 Aug 82

[Text] Tegucigalpa, 2 Aug (ACAN-EFE) -- The Governments of Costa Rica and Honduras reiterated today in Tegucigalpa that they will not lend the territory of their countries for an armed invasion against Nicaragua.

The statement was made at a press conference by Costa Rican Foreign Minister Fernando Volio Jimenez and Honduran Foreign Secretary Edgardo Paz Barnica after a working meeting of several hours in the Honduran capital.

"We are intent on promoting peace in the Central American isthmus in keeping with the principles of mutual respect, respect of the self-determination of the peoples, nonintervention and neutrality in the internal affairs of neighboring countries," the Honduran foreign secretary affirmed.

Paz Barnica said that he spoke at length on the topic of Nicaragua in the meeting with his Costa Rican counterpart "and reached the conviction that a short-term detente must be found so as to preserve peace in Central America."

"We Hondurans will never attack the Nicaraguans, but we reiterate that we are ready to defend ourselves if we are attacked," Honduran Foreign Secretary Paz Barnica stated.

Volio Jimenez for his part said that Costa Rica does not want war with Nicaragua and has given eloquent proof of wanting to maintain peace.

"We canceled the visa of the famous Commander 'Cero,' Eden Pastora, when Nicaragua said that his presence in Costa Rica was dangerous for its security, and we have also captured and expelled other counterrevolutionaries from our territory," Volio explained.

The Costa Rican foreign minister said that in exchange for this Costa Rica received from Nicaragua "threats, violations of our territory, silence in response to our protests and restrictions on our right to navigate the San Juan River."

Both the foreign minister and foreign secretary expressed the concern of their governments and peoples for what they termed the "arms race in Nicaragua."

"The Hondurans want peace in Central America so much that we are disposed to an internationally supervised general disarmament, a reduction in the number of foreign advisers, a permanent dialogue, respect for established borders and any other peace effort," Paz Barnica noted.

He charged that his country is subject to a campaign of misinformation and internal destabilizing activities sponsored from abroad. He also said that his government views with concern "the disproportionate arms race launched by Nicaragua and its constant attacks against the Honduran Army and state."

For his part, Volio Jimenez declared that his country does not have an army due to a constitutional prohibition, "but we are ready to defend ourselves from aggression, be it from Nicaragua or any other country."

"Our people have courage, spirit and love for their country, and our police will know how to defend themselves if they are led to such an extreme," Volio Jimenez stated.

Regarding the latest conflicts with Nicaragua, the Costa Rican foreign minister explained that three Nicaraguan diplomats who were declared personas non grata and expelled from San Jose "were implicated in a plot which we, as peace lovers, could not allow."

Volio made an appeal to all the peoples of the world not to let "peace perish in Central America, because if it dies in that region, it will die in other parts of the world."

ELECTIONS TRIBUNAL ANNULS NATIONAL PARTY ACTIONS

PA021749 Tegucigalpa Cadena Audio Video in Spanish 1145 GMT 2 Aug 82

[Text] The National Elections Tribunal has decided that all actions by the Constituent Assembly of the National Party of Honduras [PNH] are null and void. The Tribunal has ruled in favor of the challenge filed with it by the Zunigist Nationalist Movement. It accepted the request filed by Nicolas Cruz Torres. Thus, Ricardo Zuniga Augustinus has reemerged as the strongman in the PNH.

Meanwhile, the Liberal Party of Honduras has been accused of conspiring with the Zunigist Movement to undo all that was done by the PNH's unification and the movement of struggle led by Mario Rivera Lopez and Rafael Leonardo Callejas.

BRIEFS

HEMORRHAGIC DENGUE -- Honduras' Caribbean area is being seriously affected by hemmorrhagic dengue. According to the daily TIEMPO, 40 persons have died and approximately 160,000 more are in bed with the disease. [Tegucigalpa Cadena Audio Video in Spanish 1145 GMT 28 Jul 82 PA]

NICARAGUA

U.S. AID TO PRIVATE SECTORS OFFICIALLY REJECTED

PA022154 Panama City ACAN in Spanish 1928 GMT 2 Aug 82

[Text] Managua, 2 Aug (ACAN-EFE) -- The Nicaraguan Government officially announced today that it will not authorize the $5.1 million donation from the U.S. Government to some organizations of the private sector and to the Nicaraguan Catholic Church. The International Reconstruction Fund (FIR) has issued a statement indicating that Bernard E. Depuis, acting director of the U.S. Agency for International Development (AID) in Nicaragua, has been notified of the government decision.

The FIR argues that this country has been suffering "economic aggression" from the current U.S. administration that has prevented Nicaragua from receiving more than $200 million, which has not arrived although financial agreements had already been signed. The FIR added that the U.S. Government has also opposed Nicaragua's access to multilateral financing sources and has exercised influence with governments that are friends of Nicaragua "so they will stop helping us."

The FIR indicated that "economic aggressions" have occurred at a time when Nicaragua's need for international cooperation is "huge" in view of the fact that the country has just suffered $357 million in damage from the rains and floods in May.

"The U.S. Government has been totally insensitive to those needs, and a request to use part of the funds it has frozen for undertaking emergency tasks necessary as a result of the floods has not been answered," the FIR added.

The Nicaraguan Government also maintains that international cooperation must be in line with this country's needs and its national sovereignty. According to the government institution, the agreements between the U.S. Government and some organizations of the private sector and the Nicaraguan church "do not conform to the norms and policies of the government in the area of international cooperation." The FIR indicated that the those agreements "contain a detestable discrimination against the government, which is the legitimate representative of the Nicaraguan people."

"Our government remains fully open to the consideration of bilateral cooperation programs with the United States that respond to the great needs of the country, benefit all the people, and not only one sector, and are formulated within a framework of respect for our nation's self-determination and sovereignty," the FIR said.

Meanwhile, the leaders of the Higher Council of Private Enterprise (COSEP) stated recently that they would accept the U.S. donation because, among other things, it would help the country's balance of payments situation. According to COSEP, the Nicaraguan Central Bank would retain the dollars and give the businessmen the equivalent of the donation in cordobas. The Catholic Church hierarchy has said regarding the announced U.S. donation that it has not received an official report from the U.S. Government.

D'ESCOTO LEAVES FOR MOSCOW, OTHER CAPITALS

PA030006 Panama City ACAN in Spanish 2143 GMT 2 Aug 82

[Text] Managua, 2 Aug (ACAN-EFE) -- Nicaraguan Foreign Minister Miguel d'Escoto today declared: "We have no problems with Honduras," but we do have "a confrontation" with the U.S. Government. Shortly before leaving for Moscow and Warsaw on a mission for the nonaligned countries, D'Escoto made statements to newsmen in Managua.

He said the administration of President Ronald Reagan "is not acting directly" against Nicragua, but through some sectors of the Honduran Government it is promoting "ill intentions against the Sandinist revolution."

D'Escoto said that in addition to visiting the USSR and Poland, he will also visit Beirut to meet with Lebanese officials. He expressed hope that "the end of the encirclement of Beirut may be achieved" soon and said he will insist on meeting with PLO leader Yasir 'Arafat. D'Escoto also expressed interest in visiting London and Washington as well as other capitals of member states of the UN Security Council.

BRIEFS

DONATIONS FROM CUBA -- The Cuban Government has donated to Nicaragua a complete set of irrigation equipment, several small cranes, 3,500 tons of cement, medicine, construction equipment, two train engines as well as railroad supplies, agriculture sanitary equipment, a mobile movie projector, 3 buses, 3 microbuses, 6 pick-ups, 5 jeeps and 271 boxes of books for adult education. [Managua Radio Sandino Network in Spanish 1200 GMT 30 Jul 82 PA]

BRAVO MARKS 20TH CIVIL DEFENSE ANNIVERSARY

FL021413 Havana Domestic Service in Spanish 1045 GMT 2 Aug 82

[Text] We are proud to be Cubans, proud to be soldiers of the revolution and proud to be Fidel's soldiers, Flavio Bravo, president of the people's government National Assembly, has stressed in his closing remarks at the commemoration of the 20th anniversary of the founding of the Civil Defense, which was held in Camaguey city.

Officers of the Civil Defense from all parts of the country attended the ceremony, during which they were presented the FAR [Revolutionary Armed Forces] distinguished service medal. Pedro Solas, delegate of the Agriculture Ministry in Camaguey Province, accepted the trophy awarded to his ministry -- the most outstanding in the nation in the fulfillment of Civil Defense activities during the 1981-1982 training year -- during the closing ceremony held last Saturday.

The main national commeoration of the 20th anniversary of the Civil Defense was held at the principal theater in Camaguey city last Saturday, chaired by Div Gen Senen Casas, alternate member of Cuba's Communist Party Politburo and first deputy minister of the FAR; Flavio Bravo, member of the Central Committee and president of the National Assembly; and Lazaro Vazquez, alternate member of the Central Committee and first party secretary in Camaguey. Others present were Brig Gen Juan Escalona, deputy FAR minister for Civil Defense; Faustino Perez, chief of the Central Committee mass organizations departments; and other members and alternative members of the Central Committee, FAR officers, Civil Defense officers and presidents of the people's government in various provinces, all of whom enjoyed a performance by Camaguey's ballet company.

During the opening session, Maj Gen (Vladimir Lovchinovskiy), on behalf of the Soviet military specialists, praised the noble and fruitful efforts of the Civil Defense. The province's mass and student organizations conveyed warm greetings to the institution on its 20th anniversary. Excerpts of a speech by our commander in chief dealing with the indestructible unity of the party, FAR and people were also played back on the loud-speakers.

The main duty of the Civil Defense's system of measures is to organize the efforts and resources of various areas of social activities, above all in the economy, to contribute to the preparation of the country in the face of a possible imperialist aggression by insuring the protection of the population from its effects, changing to wartime production and overseeing the operation of enterprises and activities which guarantee survival for the citizenry as well as maintenance of FAR combat readiness, stated Flavio Bravo. He added: The enemy must know that every meter of Cuban soil will cost tens of casualties to its aggressors, and that they will never be able to occupy our fatherland.

Elsewhere in his speech he stated that the anniversary had coincided with the people's efforts aimed at overcoming the consequences and damages caused by hurricane Alberto and the heavy rains which only a few weeks ago drenched the western provinces, leaving behind an irreparable balance in losses of human lives and considerable material damage. In the Civil Defense and in the characteristics of its organization, made up of workers, most of whom remain in their places of work even in a case of war, the party's appeal of indissolubly linking production to defense is ideally manifested, Flavio Bravo stressed. He said that our commander in chief's slogan, which serves and will continue to serve as a banner for our people in the daily activity and effort or at a time of aggression by the enemy, "Production for defense and work for victory," achieves a special significance for the Civil Defense.

DETAILS OF CARICOM TRADE MINISTERS MEETING GIVEN

FL021215 Bridgetown CANA in English 2232 GMT 2 Aug 82

[Text] Georgetown, Guyana, July 31, CANA -- Caribbean Community (Caricom) trade ministers have agreed at a meeting here that their countries' participation in the U.S. Caribbean Basin Initiative (CBI) should have as its ultimate aim the strengthening of the regional integration movement, according to St Lucia's Deputy Prime Minister George Mallet.

Mallet, who is also his country's minister of trade, and who chaired this week's Caricom Council ministers conference here, said their just-concluded meeting had agreed that in any bilateral trade discussions with U.S. officials, "Caricom countries should not conclude any negotiation until we have formulated a position in respect of the (regional) matters which may be affected by the CBI."

The United States package under the CBI, a trade and aid plan co-sponsored by the U.S., Canada, Mexico, Venezuela and Colombia, is now before the U.S. Congress for approval.

Mr Mallet, St Lucia's minister of trade, told a news conference that the Council gave very serious consideration to CBI proposals and concluded that member governments should study them carefully.

"We looked at the investment aspect of the initiative and we thought that countries holding bilateral talks with U.S. officials should pay regard to their commitments to Caricom," he told a news conference at the end of the two day meeting.

Caricom Secretary General Dr. Kurleigh King said the Caricom treaty mandates that member states which negotiate bilateral trade agreements with other countries should hold consultations with other Caricom member states.

It was within this context that Caricom was approaching the CBI, he added.

The officials said that the possible exclusion of any Caricom state from the CBI was not discussed at the meeting.

On the issue of the long awaited meeting of heads of government of Caricom, Mr Mallet said "we cannot say when that is likely to take place, but we suspect that the summit will be held before the next meeting of the Council of Ministers in January 1983."

"Consultations are taking place among heads over the matter," Dr King added.

Mr Mallet summed up the topics dealt with at the meeting attended by member states apart from Montserrat, Antigua and Barbuda and St Vincent and the Grenadines, under the headings of trade and commercial affairs, agriculture and industry, external economic relations and some administrative matters.

The meeting considered a paper which sought to facilitate trade between certain member territories in products such as corn meal, cherries, ribena and prepared mustard and also batik and tiedye products.

Under the agricultural marketing protocol approved by the Council a decision has also been taken to end the previous system whereby the Council fixed certain prices of agricultural products traded in the region.

"We have decided that in future the agricultural marketing protocol will look towards monitoring and stimulating trade in these products in the region and we have agreed that this could best be done by allowing buyers and sellers to negotiate their own prices," he added.

The meeting also agreed to seek needed funding for the jointly-owned regional airline LIAT, for the purchase of equipment and the improvement of a service recognized by all the governments as important for the region and particularly the less developed countries.

The regional industrial programme under which the last meeting of ministers of industry of Caricom had allocated the development of 16 industries of various countries of the region was discussed in depth, but its adoption was referred to the next Council meeting after two countries urged that "certain matters of a regional nature be taken into account," Mr Mallet said.

Dr King added that the problem was that "some of the industrial projects were described as being more sub-regional than regional."

Despite the problems "the fact that industrial programming has been accepted by Caricom is in itself a great step forward," he added.

Under the plan, Antigua and Barbuda, and Montserrat were allocated a sea-island cotton project, Trinidad and Tobago was given projects involving urea formaldehyde and particle boards from Bagasse, and Guyana received a number of projects including the manufacture of prefabricated houses and plywood articles.

The subject of closer cooperation with the Caribbean Development Committee which represents 15 countries including 10 Caricom states was also discussed.

"It was agreed that with this collaboration matters that come up before the Caribbean Development Committee will already have the knowledge and support of the secretariat of Caricom and of the eastern Caribbean states," said Mr Mallet.

On other international trade issues Dr King said the Council meeting discussed a number of codes proposed by the Tokyo round of multinational trade negotiations aimed mainly at reducing non-tariff barriers to international trade.

"We are in the process of taking common positions in Caricom of these codes since by action in unison we improve our bargaining power with respect to the international community," he stated.

Dr King said that the impact of the international economic crisis on Caricom states was not discussed specifically at the Council meeting.

He added: "Many of the issues discussed at the meeting related to effects of the Caricom crisis, and representatives who might otherwise have taken different stands, buckled down to seek agreement for the benefit of all, in the present situation."

Mr Mallet summed up the meeting as a very cordial one in which agreement was reached quickly on a number of agenda items, allowing the Council to finish its business earlier than expected.

JAMAICA

VENEZUELAN PRESIDENT ARRIVES ON STATE VISIT

FL021639 Bridgetown CANA in English 1625 GMT 2 Aug 82

[Text] Kingston, Jamaica, Aug. 2 CANA -- Venezuelan President Luis Herrera Campins arrived here today for a one-day state visit during which he is to have discussions with Jamaica's Prime Minister Edward Seaga.

Dr Herrera Campins landed at the Norman Manley Airport to a 21-gun salute and a welcoming party that included Governor General Sir Florizel Glasspole, the Jamaican Cabinet, opposition member Ralph Brown, members of the diplomatic corps and the judiciary and the heads of the security forces.

The Venezuelan president is being accompanied by his wife as well as a top-level government delegation which includes Foreign Minister Dr Jose Alberto Zambrano, Energy Minister Humberto Calderon Berto, Venezuelan Investment Corporation President Herman Luis Soriano and Foreign Trade Institution President Sebastian Alegrett.

Later today, President Campins will meet Prime Minister Seaga for official talks. Caracas Ambassador to Kingston Pedro Luis Echeverria said here at the weekend that the topic would include the possibility of joint venture investment and at cooperation in fields such as agriculture, industry, and commerce.

Jamaica already benefits from the Mexico-Venezuela oil facility, as well as Venezuelan balance of payments loans and these as well as political issues are also expected to come up in the talks.

The president left the airport directly for the National Heroes Park in Kingston and laid a wreath at the cenotaph there.

He then went across the road and laid another wreath at the statue of Venezuelan national hero Simon Bolivar. President Campins is also to pay a courtesy call to the governor general and to attend a lunch in his honour before his meeting with Mr Seaga.

At the state lunch, he will be given an honourary Order of Jamaica, the country's third highest award.

This evening he is meeting Venezuelan residents here, following which he will have talks with opposition leader Michael Manley.

BRIEFS

IMPORT LICENSES GRANTED -- Kingston, Jamaica, Aug 2 CANA -- The Jamaican Government has granted local manufacturers licenses to import items valued at 322 million dollars (one JCA dollar: 56 cents U.S.) this year, according to Trade Administrator Ed McKie. The figures represents the foreign exchange allocation for the sector this year. [Excerpt] [Bridgetown CANA in English 1750 GMT 2 Aug 82 FL]

TRINIDAD & TOBAGO

NEW GUYANESE PARTY SEEKS SUPPORT IN TRINIDAD

FL311805 Bridgetown CANA in English 1732 GMT 31 Jul 82

[Text] Port-of-Spain, Trinidad, July 31, CANA -- Two members of a newly formed Guyanese political party are now in Trinidad and Tobago seeking moral support from the government to help the people of Guyana "to institute a free, democratic government of their choice."

The duo, Abu T. Mandel, 39, and Mobarak Ali, 29, president and general secretary respectively, of the Conservative Liberal Party (CLP) are on a Caribbean tour, which has already taken them to Jamaica and Barbados.

The pro-Western CLP sees itself as the logical alternative to the Socialist Peoples National Congress (PNC) government of President Forbes Burnham in Guyana.

According to Mr Ali, who is based in Toronto, Canada, they were "trying to remind the Caribbean people that there was great suffering taking place in Guyana," and that Caribbean governments and people should "stand in solidarity with the Guyanese people and help them institute a free, democratic government of their choice."

He said the economic and political crises had become endemic to Guyana, in that previously they affected only the opponents of the government, while today, they affected everybody.

"The people have lost all their fundamental freedoms and they live in fear every day of their lives, and they want a change," Mr Ali said.

Mr Ali, who is a mechanical engineer, said the party, founded four years ago, was dedicated to the free enterprise system.

He said that "the Guyanese people never had a viable alternative before. Now we are supplying that alternative and we intend to contest the next election constitutionally due in 1985.

They declined to name any prominent Guyanese in their group "for fear that they may be victimized either at home or abroad."

The CLP officials are hoping to have talks with Trinidad and Tobago external affairs minister, Senator Basil Ince and if possible, with the prime minister, George Chambers.

The delegation said it proposed to visit Suriname, Guyana, and some Latin American countries after leaving Trinidad and Tobago.

TRINIDAD, BRAZIL ISSUE COMMUNIQUE ON RELATIONS

FL311620 Bridgetown CANA in English 1533 GMT 31 Jul 82

[Text] Port-of-Spain, Trinidad, July 31, CANA -- The Governments of Trinidad and Tobago and Brazil have taken initiatives to strengthen relations between them and have announced mutual agreement on a range of international issues.

A communique issues at the end of an official visit here by the foreign minister of Brazil, Ramiro Saraiva Guerreiro, detailed the points of agreement coming out of talks held with his Trinidadian counterpart, Dr Basil Ince.

The foreign ministers saw a need to increase and diversify their mutual trade, as well as economic and technical cooperation, and to provide adequate sea and air services between both countries. They agreed that this matter will be given early attention by the Trinidad and Brazilian mixed commission.

Both men also welcomed the progress made so far in planning two joint projects in soyabean and pulp and paper processing and hoped the preliminary studies would be speedily completed and the projects actually started.

The ministers also "fostered the deepening of contracts between high-ranking officers and businessmen of both countries, with a view to broadening bilateral cooperation in various sectors, especially those of the ferrous and nonferrous metals, oil, fisheries, engineering and air transportation," the communique said.

The two ministers reiterated their firm commitment to the peaceful settlement of all international disputes, either bilaterally or through regional or international organizations.

With respect to the North-South dialogue, they stressed the need for the early launching of the global negotiations and reaffirmed their adherence to the view that highly industrialized countries should give special and more favorable treatment to developing countries in all areas of their trade relationships.

Brazil and Trinidad and Tobago reaffirmed their continued support for the text of the new convention on the Law of the Sea recently adopted at the U.N. headquarters.

PPP CONGRESS ATTENDED BY CARIBBEAN COMMUNISTS

FL021621 Bridgetown CANA in English 1555 GMT 2 Aug 82

[Text] Georgetown, Guyana, Aug 2, CANA -- The 21st congress of the Marxist opposition group, the People's Progressive Party (PPP), moves into the third and final day today.

A three-member Cuban delegation headed by Central Committee member Ursinio Rojas and a two-man delegation from the Communist Party of the Soviet Union are among the large number of representatives of communist and other left-wing parties attending.

Left-wing Caribbean groups represented at the meeting hailed by the Marxist party as its "biggest congress ever" include the Workers Party of Jamaica, the United People's Movement of St Vincent, the National Joint Action Committee (NJAC) and the People's Popular Movement of Trinidad and Tobago.

The Dominican Liberation Movement, the Workers' Revolutionary Movement of Saint Lucia, the Communist Party of Guadeloupe and the Venezuelan Communist Party are also represented.

"Strengthen the party, defend the masses, liberate Guayana" is the theme of the conference, held eight miles east of Georgetown at Mon Repos in the sugar belt. Highlight of the meeting is PPP's Central Committee report delivered by the party's General Secretary Cheddi Jagan, a former Guayana premier.

"The report addresses the successes, consolidation and strengthening of the world socialist system, the working class forces in capitalist countries, national liberation movements and the offensive by imperialism to stop the march of socialism," the PPP's weekly MIRROR reported.

Dr Jagan's report also analysed "the calamitous situation of Guyana under the ruling PNC (People's National Congress) which has bankrupted the economy, rules undemocratically and has moved to the right into the arms of the imperialists," the paper said.

Its central call was the urgent need for working class and racial unity and the struggle to establish a people's revolutionary democracy in Guyana, said the MIRROR.

The paper hailed the PPP as the first stable political party in Guyana's history which was able in a few years to arouse the whole nation in the struggle to end colonialism.

"When the congress slogan speaks of defending the masses, we know that only the PPP has stood up for the working masses, consistently, relentlessly and uncompromisingly, fought for their rights and set out the ways and means of achieving its goals," the paper said in an editorial.

It said the PPP had been attacked by both left and right extremists for contesting elections and taking seats in the National Assembly.

"Little could they understand that the very act of contesting the elections exposed to the whole world the iniquity of the ruling party in its blatant rigging process," said the MIRROR. "Nor have they understood that the right in parliament for the working people is just one more aspect of the all-round battle to defend the masses and champion their rights."

The paper said that "at every level the PPP leads the working people in their struggles, preparing the way for their inevitable victory."

The PPP congress is to be followed by a special conference of delegations from the Caribbean to review recent developments in the region.

BOLIVIA

COCHABAMBA WORKERS REJECT GOVERNMENT PROPOSAL

PY022134 Paris AFP in Spanish 1556 GMT 31 Jul 82

[Excerpts] La Paz, 31 Jul (AFP) -- It was reported in La Paz today that factory workers in Cochabamba, in the center of the country, have rejected a government proposal for a political, social and economic truce, reiterating its request that power be handed over to civilians immediately.

The La Paz Departmental Labor Federation (COD) has made a request to the top labor leaders of the country for an immediate urgent meeting to obtain a unified consensus concerning the national political situation.

The position of the Cochabamba workers, who held a long meeting with Interior Minister Edgar Rojas Ruiz, was clear and definite regarding the official proposal in the sense that power should be in the hands of a civilian government with popular support and international credibility.

Colonel Rojas Ruiz explained to the workers that the government of Gen Guido Vildoso wishes to constitutionalize the country by holding general elections in April 1983 so that the people can democratically elect their representatives.

In the meantime, the Bolivian Labor Federation (COB) has been under pressure to hold a national meeting as soon as possible to define positions regarding the country's situation. However, COB Secretary General Oscar Sanjines incidated that a meeting has been scheduled only for 10 August.

COD spokesman Walter Delgadillo said that political inertia is gradually worsening the economic problems of the workers and that there is no excuse for the COB calling an immediate national meeting.

COLOMBIA

DYNAMITE-LOADED JEEP EXPLODES IN CALI 1 AUG

PA022011 Bogota Cadena Radial Super in Spanish 1730 GMT 1 Aug 82

[Communique issued by the Valle police headquarters in Cali on 1 August]

[Excerpt] The headquarters of the Valle police department reports to the citizenry that today at 0545, unidentified individuals pushed a green 1959 jeep with license plate no. WH0435 to 20th Street and 1st Avenue. The jeep was loaded with dymanite which exploded in front of the installations of the DAS [Administrative Department of Security]. The explosion damaged the installations of the police headquarters and several businesses located on 1st Avenue between 20th and 21st Streets. Those establishments primarily sustained damage to their windows and doors. Losses are estimated at 2 million pesos.

DOMINICAN REPUBLIC

REFORMIST PARTY REORGANIZES LEADERSHIP

PA021634 Buenos Aires LATIN in Spanish 2329 GMT 1 Aug 82

[By Miguel Franjul]

[Text] Santo Domingo -- 1 Aug -- Former President Joaquin Balaguer today consolidated his leadership of the Reformist Party, PR, the largest opposition force, as he reorganized this group during a party convention held this weekend.

Balaguer got the convention to dissolve four vice presidencies and the General Secretariat. These vice presidencies were held by leaders who were often disagreed among themselves or who had certain differences with Balaguer.

At the same time, Balaguer, who is 75 years old, got the convention to increase the number of members of the central board, the party's main executive group, from 27 to 100. With this action, Balaguer neutralized the power held by party Vice Presidents Fernando Alvarez and Victor Gomez Berges.

With elimination of the four vice presidencies and the General Secretariat, Balaguer's second in command will be his nephew Joaquin Ricardo. Ricardo, who is 30 years old, will become the party's political secretary.

Balaguer intends to delegate the daily affairs of the party to Joaquin Ricardo so that he can lead the political force to "a constructive opposition" to the regime of President-elect Salvador Jorge Blanco who will be inaugurated 16 August.

The PR leader said that the measures adopted by the convention were necessary to rehabilitate the party after two consecutive electoral defeats in 1978 and 1982.

The weekend's long debates on the PR reorganization prevented the party from taking steps toward the announced merger with the Movement for Democratic Integration, MID. However, it is expected that Francisco Augusto Lora, former vice president and MID leader, will join the PR.

MAJLUTA SAYS U.S., EEC DEPRESSING SUGAR MARKET

FL022220 Bridgetown CANA in English 2155 GMT 2 Aug 82

[Text] Santo Domingo, Dominican Republic, August 2, CANA-REUTER -- The Dominican Republic president, Jacobo Majluta, today accused the United States and the European Community of depressing the world market for sugar, the republic's main export.

He said that recently-imposed U.S. sugar import quotas combined with "subsidised dumping of Common Market sugar" would result in a multi-million dollar reduction of income from abroad for the Dominican Republic.

Mr Majluta told delegates at a political meeting here that the U.S. quotas, imposed last May, were counter in spirit to the Reagan administration's stated policy of cooperating with Caribbean countries.

The Dominican Republic's total 1981-1982 sugar production is estimated at 1.3 million tonnes, compared with about one million the previous year.

In a good year, the Dominican Republic sells 800,000 tonnes of sugar to the United States.

ECUADOR

FOREIGN MINISTER SAYS NO BORDER CLOSURE ORDERED

PA022021 Quito Voz de los Andes in Spanish 1130 GMT 2 Aug 82

[Text] Ecuadorean Foreign Minister Luis Valencia Rodriguez has confirmed that at no time has the Ecuadorean Government ordered the closing of the border with Colombia as has been reported. He said that the problem started when Ecuadorean trucks tried to enter into Colombia and were not allowed. Therefore, he said, this is a technical and customs matter. He noted that the Foreign Ministry is working jointly with other state organizations to try to overcome this situation. The minister added that he has had direct contacts with the other government through the embassies in the two countries, in Bogota and in Quito. Valencia Rodriguez said that he received a telex from his Colombian counterpart Carlos Lemos Simmonds who is also worried about the border problem. Lemos Simmonds who is also worried about the border problems. Lemos Simmonds said that he is willing to find just solutions.